

Applicant Name: Premera Blue Cross Blue Shield of Alaska Corp.

NAIC No.: _____

FEIN: _____

Uniform Certificate of Authority Application (UCAA)
Debt-to-Equity Ratio Statement

As part of the UCAA, the Division requires a comprehensive debt-to-equity ratio statement, including:

A. Provide the consolidated outside debt to consolidated equity ratio on a GAAP basis for the holding company	\$0.00
B. Provide the most recent consolidated, holding company financial statement	The PREMERA consolidated holding company financial statement is attached as Exhibit H-1 to the Form A.
C. State if the holding company, on a consolidated basis has a tangible net worth:	
a. for the past three years (audited)	<i>in thousands</i> 12/31/01: \$353,884 12/31/00: \$302,727 12/31/99: \$264,748
b. at present as of June 30, 2002 (unaudited)	<i>in thousands</i> \$60,599
c. provide projections with assumptions for a three year period	Five year projections for the consolidated holding company system after completion of the Conversion Transaction is attached as Exhibit E-7 to the Form A.
D. Applicants must clearly substantiate the sources of repayment of any debt.	Not applicable
E. Calculate the debt service required of each insurer as a percentage of the insurer's capital and surplus.	Not applicable.
F. List the assets of the holding company, if any, that are pledged to fund the debt service or debt repayment of an affiliate or parent.	No assets are pledged.
G. List any guarantees (personal or otherwise) from the shareholders for repayment of the debt.	No guarantees exist.